SECRET/SENSITIVE

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1 June 1973

MEMORANDUM FOR: Mr. William E. Colby

SUBJECT: Special Activities

1. Following our recent conversation, I have searched my memory and Mr. McCone's files for examples of activities which to hostile observers or to someone without complete knowledge and with a special kind of motivation could be interpreted as examples of activities exceeding CIA's charter.

2. First, as we discussed, on 7 March 1962, DCI McCone, under pressure from Attorney General Robert F. Kennedy, agreed to tap the telephones of columnists Robert S. Allen and Paul Scott in an effort to identify their sources for classified information which was appearing in their columns. Because the primary source appeared to be in the Department of Defense, McCone ordered me personally to brief General Joe Carroll, Director of DIA, orally, which I did. I understand more complete information on this operation is available from the Director of Security. I, personally, managed to avoid gaining any knowledge of what precise actions were taken, what information was gained, what was done with it, and when the operation was terminated.

3. As a result of a developing relationship with ~~Philippe de Vosjoli~~, the SDECE representative in Washington, and also as a result of certain information conveyed by ✓ Anatole Golitsen, James Angleton, with the approval of Dick Helms, agreed to mount a counterespionage operation against the French Embassy in Washington. This involved breaking and entering and the removal of documents from

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the French Consulate. On 18 June 1962, DCI McCone and Helms briefed Secretary of State Rusk generally on the operation without going into operational details. Later on the same day, President John F. Kennedy was briefed. Actual breaking and entering occurred somewhat later, and on 15 April 1963, DCI McCone met with President Kennedy alone and briefed the President on the details of this new phase of the operation. On the same day, the Attorney General was briefed and he agreed that he would not mention it to the FBI unless the FBI themselves raised it with him. On 3 February 1964, DCI McCone met alone with President Lyndon B. Johnson and briefed him on the operation. On 4 February McGeorge Bundy was briefed. On 6 February 1964 in a briefing of Secretary of State Rusk on the results of the operation, Rusk expressed reservations about the propriety of such an operation. He raised this same concern in subsequent conversations with McCone on 17 April 1964, 28 May 1964, and 14 June 1964. On 12 September 1964 Rusk continued to express grave reservations and repeatedly suggested that the French be informed directly that we knew about their espionage operations in the United States and ask them to desist. In a meeting on 28 May 1964 Rusk expressed these reservations in the presence of DCI McCone and President John F. Kennedy. Secretary of Defense McNamara was also present, and there is no record that he had previously been made aware of this operation.

4. Although certain activities never got beyond the planning stage, there are, I believe, three examples of such planning which could be subject to misinterpretation. One involved chemical warfare operations against the rice crops in both Cuba and North Vietnam. A second involved a paramilitary strike against the Chi-Com nuclear installations. Outside the United States Government, General Eisenhower was briefed on such planning. A third, which assumes a new significance today, involved a proposal by Angleton and Helms for a greatly increased intelligence collection effort against foreign installations in this country. This planning also involved a scheme for selected

exposure of KGB activities and counteractions against the Soviet intelligence service. The reasons are still unclear to me as to why the FBI chose to brief the PFIAB to the effect that CIA was planning to wiretap extensively and indiscriminately in this country, to greatly increase the Agency representation in the Moscow Embassy, and generally to use KGB-type tactics, also extensively and indiscriminately. This led to a heated exchange between DCI McCone and Mr. Belmont of the FBI, one such meeting taking place in the presence of the Attorney General. It is clear that the FBI was opposed to any such proposal then, as now, and the plan never went forward.

5. During the period when Des FitzGerald was in charge of the Cuban Task Force, DCI McCone's office learned, quite by accident, that FitzGerald had secured the cooperation of several prominent US business firms in denying economic items to Cuba. There was no question but that the businessmen were glad to cooperate, but knowledge of this operation had to be rather widespread.

6. On 17 April 1964, Mr. Robert B. Anderson came to DCI McCone on behalf of American business interests, offering to insert some $300,000 to try to secure a favorable result in the elections in Panama. Shortly after this approach, Mr. Clyde Weed of Anaconda Copper Company made a similar proposal to McCone in connection with elections in Chile. On 12 May 1964 at a meeting of the 303 Committee, it was decided that the offers of American business could not be accepted, it being neither a secure way nor an honorable way of doing such business. This declaration of policy at this time bears on the recent ITT hearings, but I am not surprised that McCone has forgotten that he helped to set the precedent of refusing to accept such collaboration between the Agency's operations and private business.

7. At the direction of Attorney General Robert Kennedy and with the explicit approval of President Kennedy, McCone injected the Agency, and particularly Cord Meyer,

into the US labor situation, and particularly to try to ameliorate the quarrel between George Meany and Walter Reuther. Cord Meyer steered a very skillful course in this connection, but the Agency could be vulnerable to charges that we went behind Meany's back, or were somehow consorting with Reuther against Meany's wishes.

8. There are three examples of using Agency funds which I know to be controversial. One was the expenditure of money under Project MOSES in securing the release of Cuban Brigade prisoners. Details of this operation are best known to Larry Houston, Mike Miskovsky, George MacManus, and James Smith. Second, as you well know, when Lou Conein received his summons to report to the Joint General Staff Headquarters on 1 November 1963 a large amount of cash went with him. My impression is that the accounting for this and its use has never been very frank or complete. Third, at one of the early Special Group meetings attended by McCone he took strong exception to proposals to spend Agency funds to improve the economic viability of West Berlin, and for an investment program in Mali. His general position was that such expenditures were not within the Agency's charter, and that he would allow such spending only on the direct personal request of the Secretary of State or the Secretary of Defense, or the White House.

9. I raise these issues of funding because I remember the Agency's being severely criticized by the House Appropriations Subcommittee for having spent $3,000 for stamps in connection with a program to buy tractors to secure the release of prisoners from Cuba.

10. Under the heading of old business, I know that any one who has worked in the Director's office has worried about the fact that conversations within the offices and over the telephones were transcribed. During McCone's

tenure, there were microphones in his regular office, his inner office, his dining room, his office in East Building, and his study at his residence on White Haven Street. I do not know who would be willing to raise such an issue, but knowledge of such operations tends to spread, and certainly the Agency is vulnerable on this score.

11. Also under the heading of old business, I well remember the hue and cry raised, especially by Carl Kaysen in the White House, when the Agency injected a contaminating agent in Cuban sugar bound for the Soviet Union. Shortly after the Cuban missile crisis, there was a disposition in Washington to reexamine the Bay of Pigs, and the fact that several Alabama National Air Guard officers lost their lives in the Bay of Pigs was surfaced with surprisingly little excitement at the time.

12. During my stint on the 7th floor there was a special arrangement with the Office of Communications whereby the Director's office gained access to non-CIA traffic. This surfaced briefly at one point shortly after Admiral Rayborn became DCI. He had visited the Signal Center and removed a copy of a telegram from the Embassy in the Dominican Republic for Under Secretary George Ball, Eyes Only. He returned to his office and proceeded to discuss this telegram with George Ball who was naturally quite curious as to how Rayborn knew about it, and also as to how Rayborn had it in his possession before Ball did. Ben Read in the Secretary of State's office and I spent several weeks putting this one to rest.

13. Finally, DCI McCone, as you and I well know, operated on a very lofty plane, and I think certain of his activities could be misunderstood. One example was his decision in July of 1964 to have Aristotle Onassis and Maria Callas flown from Rome to Athens on Air Force KC 135. Their arrival in Athens in this airplane attracted the attention of the local press and in due course Mr. John

Hightower, Chief of the Associated Press Bureau for Washington, came to see me to ask about the propriety of this action.

14. The use of Fairways Corporation aircraft has been remarkably secure, but DCI McCone himself forgot about the cover arrangement and became quite exercised when he saw Candidate Goldwater land in the San Francisco airport for the Republican National Convention in 1964 aboard the Grumman Gulf Stream with the highly visible tail number N 8 E. This was, I explained to him carefully, a perfectly legitimate charter, but he didn't like it.

15. McCone dealt quite extensively with newsmen in Washington. In fact, they gave him a gift and a luncheon when he left Washington, which is perhaps indicative of the press's relations with him. However, in the case of the Ross and Wise book, The Invisible Government, he did try to bring pressure on the publisher and the authors to change things. They did not change a comma, and I doubt that this old saw will ever sing again.

16. Finally, and this will reflect my Middle Western Protestant upbringing, McCone's dealings with the Vatican, including Pope John X X I I I and Pope Paul V I, would and could raise eyebrows in certain quarters.

17. The above listing is uneven, but I have a sinking feeling that discipline has broken down, and that allegations from any quarter which cast these things in the wrong light would receive great publicity and attention, and no amount of denial would ever set the record straight. If I may be of any assistance in tracking down further details, I am of course at your disposal, but I would point

out that I was very much in the position of the enlisted man who knew that the commissioned officers were aware of these activities and better able to judge their propriety and possible impact or misinterpretation.

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